## BEFORE

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 93-468-C - ORDER NO. 95-656 \( \sqrt{MARCH 17, 1995} \)

ΙN	RE:	Application of EqualNet Corporation	)	ORDER
		for a Certificate of Public Convenience	)	ISSUING
		of Public Convenience and Necessity to	)	RULE TO
		Operate as a Reseller of Intrastate	)	SHOW CAUSE
		Telecommunications Services within the	)	
		State of South Carolina.	j	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Staff request that the Commission issue its Rule to Show Cause to EqualNet Corporation (EqualNet) because of several complaints of unauthorized interexchange carrier changes and unfair marketing procedures.

The Commission Staff comes before the Commission stating that EqualNet has been the subject of several consumer complaints concerning unauthorized changes (switching) of interexchange carriers. The Staff also notes that in at least two instances EqualNet was misrepresented as an affiliate of AT&&T which may constitute unfair and/or fraudulent marketing procedures.

The Commission is very concerned about the practice of unauthorized changing or switching of interexchange carriers (known in the telecommunications industry as "slamming"). The Commission is also concerned about the marketing practices used by resellers in the State of South Carolina, as is evidenced by the

marketing guidelines proceeding in Docket No. 94-559-C. The Commission believes that these practices (i.e. "slamming" and misrepresentations in marketing) bring into question the fitness of EqualNet to hold a Certificate of Public Convenience and Necessity. The Commission therefore believes that it should issue its Rule to Show Cause to EqualNet. The Commission therefore holds that EqualNet shall appear before the Commission at such time as Staff may designate to show cause why its Certificate of Public Convenience and Necessity should not be revoked because of the unauthorized switching of interexchange carriers and because of the use of unfair and/or fraudulent marketing practices within the State of South Carolina.

## IT IS THEREFORE ORDERED THAT:

1. EqualNet Corporation shall appear at such time as may be designated by the Staff to show cause why its Certificate of Public Convenience and Necessity should not be revoked for the unauthorized switching of interexchange carriers and for the employment or use of unfair and/or fraudulent marketing techniques and practices within the State of South Carolina.

2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Rudaly Mittell

ATTEST:

Executive Director

(SEAL)